



Honorable Marvin Abney
Chairperson, House Finance Committee
Rhode Island State House

May 4, 2021

Re: HB 6090 An Act Relating to Labor and Labor Relations-Increases temporary caregiver benefits to six (6) weeks in a benefit year starting January 1, 2022 and would increase temporary caregiver benefits to eight (8) weeks in a benefit year beginning January 1, 2023.

Chairperson Abney,

The undersigned members of the Rhode Island Business Coalition oppose HB 6090- An Act Relating to Labor and Labor Relations-Increases temporary caregiver benefits to six (6) weeks in a benefit year starting January 1, 2022 and would increase temporary caregiver benefits to eight (8) weeks in a benefit year beginning January 1, 2023.

Currently, Rhode Island is one of just four states in the nation to have enacted a mandatory caregiver insurance program.¹ Expanding the program definition to include siblings and grandchildren would make Rhode Island even more of an outlier; California is currently the only state in the nation that allows workers to take paid leave to care for both siblings and grandchildren. To stay competitive nationally, Rhode Island should seek to reduce, rather than increase, the number of areas in which it is an outlier nationally.

This extension may have other negative implications as well. For example, how would an extension of benefits impact the TCI/TDI trust fund, and the tax rate every employee in the state is required to pay? Will this change require an increase in the tax rate? If so, will the resulting decrease in Rhode Islanders' net pay have a negative impact on the state's broader economy?

Furthermore, it bears emphasizing that employers are required to hold an employee's job while that employee is out on TCI leave. The current four-week benefit already places a substantial burden on small businesses. Indeed, a study conducted by the University of Rhode Island indicates that small businesses are more likely to report having to hire a temporary replacement, are less able to put work on hold, and are more likely to require other employees to perform additional labor while an employee is out on TCI leave.²

We respectfully request that you take no further action on this legislation.

¹ Rhode Island Department of Labor and Training, TDI Benefits, <http://www.dlt.ri.gov/tidi/>.

² University of Rhode Island, "Launching the Rhode Island Temporary Caregiver Insurance Program (TCI): Employee Experiences One Year Later" (April 2016), https://www.dol.gov/wb/media/RI_paid_leave_report.pdf.

Rhode Island Staffing, William Roth, Executive Director

Rhode Island Small Business Economic Summit – Grafton Willey, Tax and Budget Committee Chairman

Rhode Island Business Group on Health – Al Charbonneau, Executive Director

Rhode Island Lumber and Building Materials Dealers Association – Kirk Ives, Regional Director

Rhode Island Society of Certified Public Accountants – Melissa Travis, President